

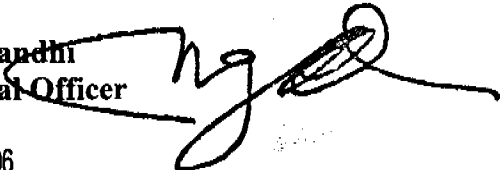
**Government of the District of Columbia  
Office of the Chief Financial Officer**



**Natwar M. Gandhi**  
Chief Financial Officer

**MEMORANDUM**

**TO:** The Honorable Linda W. Cropp  
Chairman, Council of the District of Columbia

**FROM:** Natwar M. Gandhi  
Chief Financial Officer 

**DATE:** JUN 15 2006

**SUBJECT:** Fiscal Impact Statement: "Smoking Regulations Approval Resolution of 2006"

**REFERENCE:** Draft Legislation – Resolution Number Not Available

---

**Conclusion**

Funds are sufficient in the FY 2007 budget and the proposed FY 2007 through FY 2010 budget and financial plan to implement the proposed resolution.

**Background**

The proposed resolution would approve the proposed rules to establish criteria and procedures to implement Department of Health Functions Clarification Amendment Act of 2006 (D.C. Law 16-90), which bans smoking in all enclosed public places and places of employment. The law went into effect on April 3, 2006 for workplaces and will go into effect January 1, 2007 for the bar areas of restaurants, taverns, clubs, brew pubs, and nightclubs.

The law authorizes the District Department of Health to conduct inspections of all affected places to verify compliance with the smoking ban and provides for fines on affected businesses and their patrons for smoking or permitting smoking in violation of the ban, for destroying or otherwise obscuring required "no smoking" signs, or for failing to notify a person who is smoking to desist. The maximum penalty for a violation is \$1,000. It is expected that some revenue will be generated from imposing penalties but it is not possible to determine the amount

at this time. In addition, any increase in the number of inspections beyond the current projected workload may require additional resources.

### **Financial Plan Impact**

Funds are sufficient in the FY 2007 through FY 2010 budget and financial plan to implement the proposed resolution. Costs associated with implementing the legislation will be absorbed by existing agency resources.